A.P. for distribution through the Public Distribution System (PDS) works out to 9690 MTs. The entire allocation is released by the Central Government every month.

Sugar Development Fund

1219. SHRI RAMA MUNI REDDY SIRIGIREDDY: Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

(a) whether any request from the Government of Andhra Pradesh has been received in his Ministry for raising the Sugar Development Fund so as to enable it to invest in technology for production of ethanol from sugarcane;

(b) if so, when such a request was received in the Ministry;

(c) what steps Government have contemplated thereon; and

(d) what steps Government are taking to encourage sugar factories for more production?

THE MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (SHRI ASHOK PRADHAN): (a) and (b) A letter dated 08.12.2001 from the Chief Minister Andhra Pradesh suggesting providing of adequate financial support on concessional terms from the Sugar Development Fund for encouraging sugar factories to invest in technology for manufacture of anhydrous alcohol from sugarcane juice was received in this Ministry on 20.12.2001.

(c) Government has decided to introduce legislation to amend the Sugar Development Fund Act, 1982 to enable the Fund being applied, *inter alia*, for making loans to any sugar factory or unit thereof for production of anhydrous alcohol or ethanol from alcohol with a view to improving their viability.

(d) Government provides loans on concessional terms from the Sugar Development Fund for the development of sugarcane in the area of the sugar factory and also for modernization/expansion of sugar factories as steps for encouraging them for more production of sugar.